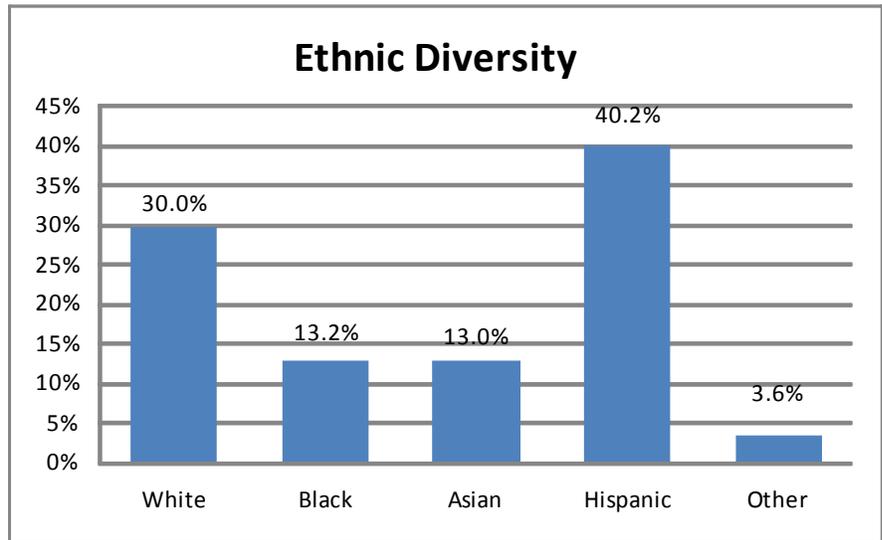


Understanding the City's Budget

City of Long Beach Demographics

GOVERNMENT

The City of Long Beach, California covers approximately 52 square miles on the southern coast of Los Angeles County. With a current population of 494,709, Long Beach is the second largest city in Los Angeles County and the sixth largest city in the State. It is a diverse and dynamic city that, based on the 2008 American Community Survey, has the following ethnic breakdown: 40.2% Hispanic, 30.0% White, 13.2% Black, 13.0% Asian, and 3.6% all other ethnicities.



Long Beach was originally incorporated in 1888. After a short period of disincorporation, the City was reincorporated on December 3, 1897. Since 1921, Long Beach has been governed as a charter city, and operates under a Council-Manager form of government.

The City Council is made up of nine members, elected by district. The Mayor is chosen in a citywide election to serve as the full-time chief legislative officer of the City. Although the Mayor does not vote, the Mayor presides over City Council meetings, presents the annual budget to the City Council and has veto power over City Council actions, including line-item veto authority over the budget. The Vice-Mayor is elected by the City Council from among its members.

The City has three other full-time elected officials: City Attorney, City Auditor and City Prosecutor. The City Council appoints the City Clerk and City Manager. The Mayor nominates, and the City Council approves, members to various boards and commissions. The Civil Service Commission, Board of Water Commissioners and Board of Harbor Commissioners oversee operations of their respective departments while all other City departments report directly to the City Manager.

The City Manager serves at the discretion of the City Council. As head of the municipal government, the City Manager is responsible for the efficient administration of all departments, with the exception of the elective offices, City Clerk, and the three semi-autonomous commission-led departments. The City currently employs approximately 5,481 full- and part-time staff within 22 departments.

In addition to the usual municipal services of police, fire, parks and recreation, public works, and library, the City of Long Beach owns and operates a leading deep-water port, offshore and onshore oil production, a local health department, a gas utility, a water utility, a convention and entertainment center, aquarium, museum, two historic ranchos, a commercial airport, marinas and golf courses.

City of Long Beach Demographics

EDUCATION

The Long Beach Unified School District is the third largest public school system in California serving nearly 86,000 kindergarten through twelfth grade students in 2010. The District's 95 schools are located in Long Beach, Signal Hill, Lakewood and on Catalina Island. Additionally, Long Beach also offers a City College, educating approximately 28,000 students. The college offers 88 Associate of Arts/Science degree programs, 77 Career Certificate programs and the opportunity to complete up to two years in any of 44 baccalaureate programs for transfer to a four-year college or university.

California State University, Long Beach (CSULB) is the State University system's second largest campus. With over 35,557 students enrolled in the 2009-2010 school year, CSULB offers 87 baccalaureate majors, 67 masters degree programs, one joint doctoral degree, one joint doctor of education degree and 49 certificate programs.

BUSINESS AND INDUSTRY

The City of Long Beach is a center for aerospace, petroleum, shipping and tourism, along with a wide variety of office and retail opportunities. Downtown alone is home to 4.2 million square feet of commercial office space.

Currently, the largest employer within the City is the Long Beach Unified School District, which operates 92 regular and three charter schools. The District's workforce of approximately 8,335 employees ensures the success of students by maintaining high standards, a commitment to excellence and by offering a comprehensive scholastic program.



Downtown Long Beach overlooking the Port.

The City's second largest employer is the Boeing Corporation, which operates a 424-acre facility at the Long Beach Airport and employs approximately 8,200 persons. The facility exceeds 6.7 million square feet of space and is currently utilized for the production of the C-17 military transport plane and program support for production lines in other locations. In what will be one of the region's largest land redevelopment efforts, Boeing is in the process of converting 260 acres of their facility from industrial to mixed use in an effort to provide quality industrial, research and development space. Exhibit 1 provides a breakdown of the top 10 employers in Long Beach as of January 2009.

Oil production, private and municipally-owned, continues to be an important business in Long Beach with both offshore and onshore facilities. Approximately 12 million barrels of oil are produced annually from facilities in Long Beach. The Long Beach Unit Optimized Water-Flood Injection Process, authorized by State legislation, has improved oil recovery and lengthened field life in the Wilmington Oil Field. Continued application of new technology is expected to further increase oil recovery.

City of Long Beach Demographics

Exhibit 1: Top 10 Employers in Long Beach

| Rank | Employer | Employees As of January 2009 |
|------|---|---------------------------------|
| 1 | Long Beach Unified School District | 8,335 |
| 2 | The Boeing Company | 8,200 |
| 3 | CSU Long Beach (includes part-time) | 6,367 |
| 4 | Long Beach Memorial Medical Center | 5,800 |
| 5 | City of Long Beach (includes part-time) | 5,481* |
| 6 | Verizon | 2,500 |
| 7 | Veterans Affairs Medical Center | 2,500 |
| 8 | Long Beach City College | 2,300 |
| 9 | United States Postal Service | 1,700 |
| 10 | St. Mary Medical Center | 1,480 |

Source: Economics Research Group, Office of the City Manager
*Per the FY 11 Adopted Budget

The Port of Long Beach is one of the world's busiest container cargo ports. In 2009, the Port handled almost 5.1 million twenty-foot-long containers (TEUs) carrying 70 million metric tons of cargo. International trading partners include the Pacific Rim nations of China, Japan, South Korea and Taiwan. In addition to containers cargoes such as electronics, clothing, toys and shoes, the Harbor facility handles crude and refined petroleum products, petroleum coke and automobiles, lumber, steel and scrap metal.

As California's largest urban Enterprise Zone, Long Beach offers businesses located in targeted areas five categories of State tax incentives aimed at stimulating new private investment, business expansion and job creation. These incentives include sales tax credits, hiring tax credits, business expense deductions, net operating loss carryover and a net interest deduction for lenders. Over 10,000 Long Beach businesses of varying sizes operate in the Enterprise Zone. The Enterprise Zone designation has recently been renewed and will be in place until 2022.

Tourism continues to be a growing industry in Long Beach, and the City attracts over 5.5 million visitors a year. A vital part of that industry is the Long Beach Convention and Entertainment Center. The Center's facilities include a 224,000 square-foot exhibit hall, 83,000 square feet of meeting room space, a ballroom able to comfortably seat 1,600, a 13,600-seat arena and two theaters in the elegant Long Beach Performing Arts Center. Additionally, over 2,500 hotel rooms are within walking distance of the Convention Center.



The Aquarium of the Pacific

The world-class Long Beach Aquarium of the Pacific, on Rainbow Harbor, is located across the water from the Convention Center, Shoreline Village and the historic Queen Mary. The Aquarium is home to 12,500 marine animals from over 1,000 species indigenous to the Pacific Rim. It is a milestone in design, architecture and technology for the 21st century.

City of Long Beach Demographics

MAJOR DEVELOPMENTS

The Promenade is a fresh downtown development expected to revitalize the area with an exciting array of uses. The Promenade spans several blocks and serves as a pedestrian linkage from Shoreline Drive, south of the Convention Center, to the northern terminus at 5th Street and the City Place retail and residential center. The Redevelopment Agency is developing an urban, pedestrian-oriented, mixed-use development along The Promenade between 1st and 3rd Streets. Also on The Promenade is the newly refurbished Insurance Exchange Building Lofts.



The New Promenade Lofts

The Lofts at Promenade is a new mixed-use project recently completed by Lyon Apartment Companies. The development includes 104 urban loft-style apartments along The Promenade between Broadway and 3rd Street in Downtown Long Beach, and 13,550 square feet of ground-floor retail space. Spacious studio, one and two bedroom apartment homes feature 10' ceilings and state of the art amenities including granite countertops, washer/dryer units, a business center, and a roof-top community area for residents. The "Sky Lounge" area atop the seven-level parking structure boasts spectacular city views, pool & spa, seating areas with fireplace and barbeques, wi-fi access and the "Sky Fit" Health club for exclusive use by residents. In addition,

to code-required parking for building residents, commercial businesses and guests, the project includes an additional 159 parking spaces that are available to the public. The project is also located adjacent to the Metro Blue Line on Long Beach Boulevard for easy access to Downtown Los Angeles and connections throughout Southern California.

Additionally, the redevelopment of the West Gateway area continues. Embodying principals of "Smart Growth," the City of Long Beach is pursuing a unique public/private economic development partnership to develop a new transit-oriented urban neighborhood. The flagship project of the area, the Lyon West Gateway, boasts 16,000 square feet of ground-floor retail with 291 residential units. The West Gateway is a critical element in the revitalization of greater downtown Long Beach and is currently leasing.

The State of California's courthouse master plan calls for replacing the Superior Courthouse currently located on Ocean Boulevard in the City of Long Beach's Downtown Redevelopment Project Area. As a result, the City and the Agency worked with the State of California to retain the Superior Courthouse in the City of Long Beach.

The location is Agency-owned property in the Central Long Beach Redevelopment Project Area,



Downtown Long Beach Courthouse

approximately one block from the location of the existing courthouse. The site is a two-block area bounded by 3rd Street, Maine Avenue, Broadway and Magnolia Avenue. Daisy Avenue will be vacated for the development. The project will provide 31 courtrooms and more space for the public, staff and secured in-custody detainees than is currently available at the existing courthouse. The facility will also provide space for County staff that routinely interacts with the Superior Court, commercial office space for tenants, and retail space.

In June 2009 the United States Department of Housing and Urban Development, the Long Beach Housing Development Company, and the Menorah Housing Foundation celebrated the Grand Opening of the Long Beach Senior Housing facility. Located near Atlantic and Willow Streets in the Central Long Beach Redevelopment Project Area, the project includes 66 apartments, community rooms, outdoor decks, proximity to Long Beach Memorial Hospital and the Burnett Branch Library, as well as convenient access to grocery and retail amenities. Adjacent to major bus routes on Atlantic Blvd. and the nearby MTA Blue Line Metrolink Station, this project illustrates the regenerative power of urban infill development. Long Beach Senior Housing directly responds to the City's priorities of rental housing affordability, increased housing supply, and neighborhood revitalization.



Long Beach Senior Housing



The Residence Inn

North Long Beach residents are now served by the recently constructed Target department store located at 6750 Cherry Avenue. The new development is comprised of the 127,246 square foot department store, a gas station, and a 6,000 square foot retail building with a drive thru. The new Target structure is a LEED Certified Bronze building.

The new Residence Inn Long Beach offers visitors the chance to experience downtown with comfortable, stylish rooms and waterfront views. Located off the I-710 and I-405, this suite hotel offers immediate access to famous attractions including beaches, the Queen Mary, Long Beach Arena, Pine Ave and the Aquarium of the Pacific.



The New AVIA Hotel

The luxurious Hotel AVIA Long Beach opened its chic doors during summer of 2009. AVIA Long Beach is where laidback beach culture meets up-tempo urban vibes. AVIA is the perfect host, offering guests a rich mix of everything this vibrant California city has to offer. Adjacent to the stunning Aquarium of the Pacific, visitors will find unexpected touches, simple pleasures, and all the comforts of home.

The newly renovated Varden Hotel in Long Beach is the first Long Beach boutique hotel, located at 335 Pacific Avenue. Originally built in 1929, it has been known as the Dolly Varden Hotel and has been a prominent visual feature of downtown Long Beach for 80 years. The 35-room hotel went through extensive renovation and reopened in 2009, but still captures the history of the hotel in its new contemporary style.

Joie de Vivre, California's largest boutique hotel company, transformed the former Coast Long Beach Hotel into a four-star urban oasis for rejuvenation and inspiration. Approximately \$20 million were spent on the renovation of the newly named Hotel Maya to create Long Beach's most exotic boutique hotel. The 11-acre waterfront property's metamorphosis was completed July 1, 2009. The hotel is located on lush tropical grounds next to the historic Queen Mary and directly across the bay from downtown Long Beach. It reopened as Hotel Maya in February of 2009 following the renovation of its 199 guestrooms. The property is a resort-style complex with five separate buildings, and the ongoing renovation is being executed in semi-isolated phases to ensure guest privacy and minimum disruption.



The Hotel Maya

Project entitlements for the new Fire Station 12 were approved by the Planning Commission in December 2008 and by the City Council in January 2009. The new Fire Station 12 will be located on 1199 East Artesia Boulevard and will feature an 11,080 square foot building with three apparatus bays, a 4,632 square foot Emergency Support Center, and a communications tower to facilitate City-wide communications. Station 12 will achieve LEED Gold status under the U.S. Green Building Council standards, accomplished through a number of sustainable design features including alternative transportation, storm water design, water efficiency, energy performance, use of recycled materials, and indoor environmental quality.



Fire Station 12

The North Library Building project is an effort by the Long Beach Redevelopment Agency and Department of Library Services to replace the inadequate existing 6,800 square foot North Neighborhood Library with a modern, LEED-certified 16,000 to 18,000 square foot library and 4,000 to 6,000 square foot community meeting space to better serve the North Long Beach community. Groundbreaking is anticipated for January 2012 and the library building is expected to be completed by February 2013. (No rendering available)

